



OFFICE OF THE ATTORNEY GENERAL OF TEXAS  
AUSTIN

GERALD C. MAHON  
ATTORNEY GENERAL

Honorable Jesse James  
State Treasurer  
Austin, Texas

Dear Sir:

Opinion Number O-5613

Re: Is it the duty of the State  
Treasurer as custodian to  
notify the county, city, or  
district when bonds and in-  
terest become due, and is he  
liable to said fund for bonds  
and interest which become co-  
lignent?

We have your letter of the 11th inst., reading as  
follows:

"In regard to the bonds purchased by the  
State Board of Education for the State Perma-  
nent School Fund and held by the State Treasurer  
as Custodian, I respectfully request a written  
opinion from your Department on the following:

- "1. Is it the duty of the State Treasurer  
to notify the County, City or District  
when bonds and/or interest on bonds of  
such County, City or District become  
due?
- "2. Is the State Treasurer, as Custodian of  
bonds held for the State Permanent School  
Fund, liable to said fund for bonds and/or  
interest on bonds becoming delinquent?"

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Replying to the above you are advised that Article 4332, Vernon's Civil Statutes, seems to be the only article in the statutes relating to the duties of the State Treasurer with respect to the handling of municipal bonds, which article reads as follows:

"The Treasurer shall keep a bond book in which to enter all warrants or authorizations to receive or relinquish bonds held by him and belonging to any State fund. The Treasurer shall also keep appropriate ledger accounts showing a short description of the essential features of each, of each bond or of each purchase of similar or like bonds, or other securities purchased by and belonging to the permanent school and other funds of the State; each of which accounts shall be charged with the principal of such bond or purchase, and with each separate item of interest payments to accrue thereon, and shall be credited with payments as made. He shall also keep controlling or total accounts of such bonds or other securities in the general ledger; which accounts shall be kept with respect to the total amount of bonds or other securities belonging to each separate fund; and also controlling accounts for interest to accrue on such bonds, to be set up at the beginning of each fiscal year, on bonds or other securities owned at that time, for interest to accrue for the fiscal year, and for interest on subsequent purchases during the year to be set up when such bonds or securities are purchased; each of which controlling accounts shall be balanced monthly with the sum of the individual accounts for bonds or securities; which accounts shall be balanced monthly and shall correspond with the like accounts kept by the Comptroller. Acts 2nd C.S. 1909, p. 433; Acts 1931, 42nd Leg., p. 396, ch. 242, Sec. 1."

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In view of the foregoing, you are advised that the law does not require the State Treasurer to notify the county, city or district when bonds and/or interest on bonds of such county, city or district become due. You are further advised that, as custodian of bonds held for the State Permanent School Fund, the State Treasurer is not liable to said fund for bonds and/or interest on bonds becoming delinquent.

Trusting that we have satisfactorily answered your inquiry, we are

Yours very truly

ATTORNEY GENERAL OF TEXAS

BY *W. F. Gibson*

C. F. Gibson  
Assistant

CRG-s

ok

C. F. R.

APPROVED SEP 22, 1913

*Samuel E. Mann*

ATTORNEY GENERAL OF TEXAS

